

MOULTON NIGUEL WATER

\$1,850,000

[Stone + Youngberg, municipal
financing consultants]
Sewage Disposal
Orange co., ca.

Moulton Niguel Water District
Orange County, California

Investments Public Securities

1975 Waste Water Bonds

For Improvement District No. 4A

General Obligations

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APR 15 1975

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Bids to be received by the Secretary of the Board of Directors of the Moulton Niguel Water District at or before 10:00 A.M. on Wednesday, April 16, 1975 in the Sixth Floor Conference Room of the Bank of America NT&SA, 555 South Flower Street, Los Angeles, California.



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MOULTON-NIGUEL WATER DISTRICT

Orange County, California

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Special Services

O'Melveny & Myers, *Bond Counsel*
Los Angeles

Stone & Youngberg Municipal Financing Consultants, Inc.
Los Angeles and San Francisco

The information contained within this Official Statement was prepared under the direction of the Board of Directors of the Moulton-Niguel Water District by Stone & Youngberg Municipal Financing Consultants, Inc., financing consultants to the District.

All of the following summaries of the statutes and resolutions are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

The information contained in this Official Statement has been compiled from sources believed to be reliable. The Official Statement contains estimates and matters of opinion, which are not intended as representations of fact. This Official Statement is not to be construed as a contract with the purchasers of the bonds.

THE DATE OF THIS OFFICIAL STATEMENT IS APRIL 1, 1975

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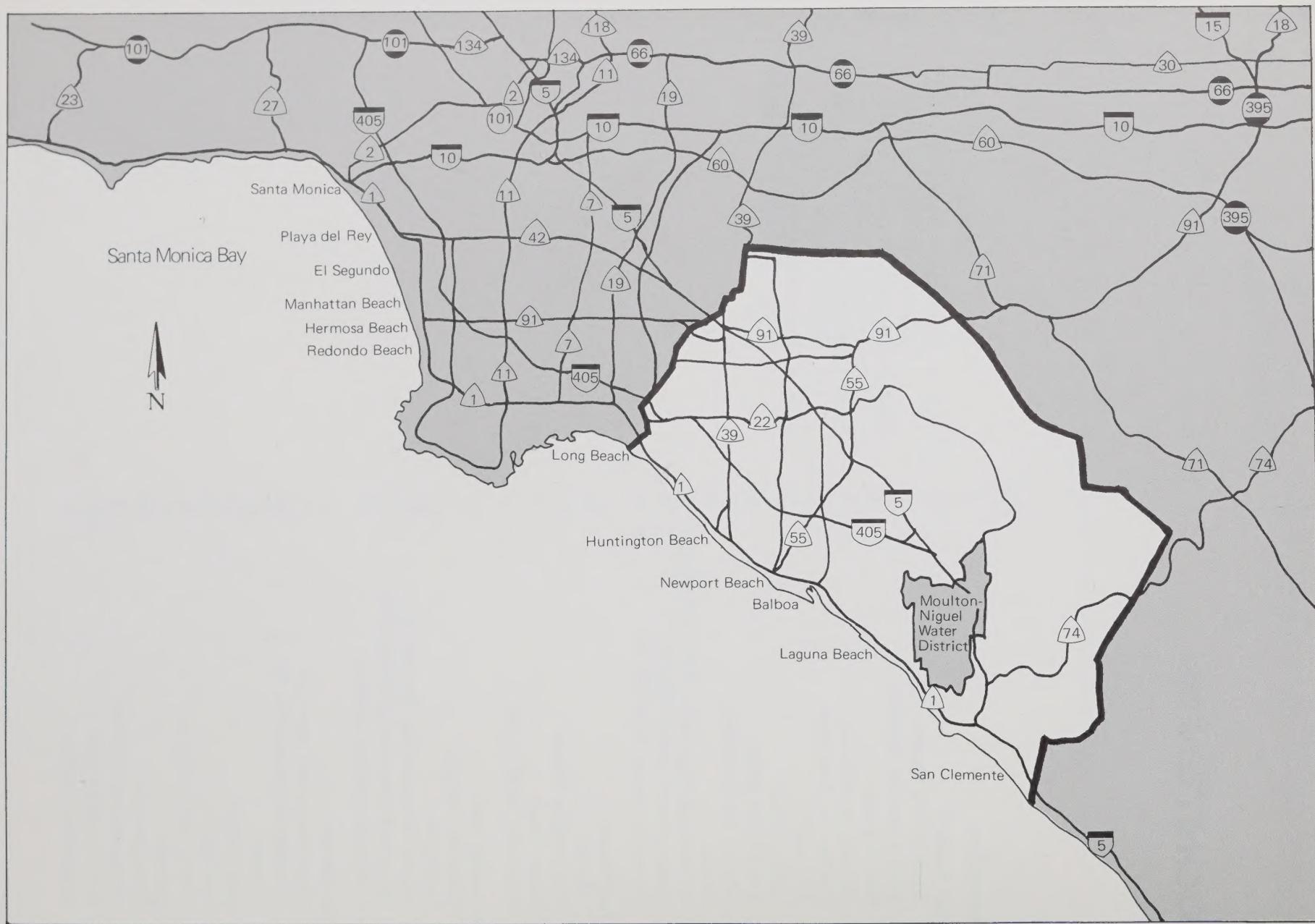


Figure 1 Vicinity Map

INTRODUCTION

The Moulton-Niguel Water District was formed in November of 1960 under provisions of the California Water District Law, Division 13 of the Water Code of the State of California, commencing with Section 34000. The District was formed for the purpose of providing a water supply for the area within its boundaries. The District is supplied with water from the Metropolitan Water District of Southern California East Orange County Feeder No. 2 through the Tri Cities Main and the Eastern Transmission Main. Subsequently the California Water District Law was amended to authorize the provision of sanitary sewerage service.

Improvement District No. 4A was formed on October 19, 1972 for the purpose of providing sewerage service within its boundaries. At the same time the Moulton-Niguel Water District formed Improvement District No. 4 to provide water facilities within the same area and further subdivided these Improvement Districts into Improvement Districts Nos. 4-1, 4A-1, 4-2, 4A-2, 4-3 and 4A-3 for the purpose of financing local reservoirs and water distribution lines plus wastewater treatment facilities and collection lines.

The bonds currently being offered for sale will be used to finance a portion of the cost of a regional wastewater treatment and disposal system. The project is being carried out by the Aliso Water Management Agency (AWMA). The proposed AWMA project consists of four interceptor sewers, a regional wastewater treatment plant and an ocean outfall. The AWMA project will serve virtually all of the portion of the Moulton-Niguel Water District located west of Interstate Highway 5, including Improvement District Nos. 1A, 2A, 4A and 5A. Improvement District No. 3A, located east of Highway 5, will be served by another regional wastewater project, being carried out by the Southwest Regional Reclamation Authority.

The \$1,850,000 of bonds for Improvement District No. 4A are being issued to finance the share of the AWMA project costs allocated to the Improvement District. Concurrently, the District is offering for sale \$3,100,000 of bonds for Improvement District No. 1A and \$1,390,000 of bonds for Improvement District No. 2A. The District will advance funds to meet the share of project costs allocated to Improvement District No. 5A and also to cover the share of treatment plant costs allocated to Improvement District Nos. 4A-1, 4A-2 and 4A-3, which together make up Improvement District No. 4A.

Included in the bond issue are sufficient funds to cover the entire costs of the project allocated to Improvement District No. 4A, less only \$190,000 of grant funds which either have already been received by the District in connection with prior projects and made available to Improvement District No. 4A or have been approved to cover engineering costs in connection with the AWMA project. However, AWMA has also applied for construction grants in connection with the project. If these grants are approved the Improvement District No. 1A share is estimated to be an additional \$243,000. Furthermore, if the grants are approved three additional agencies are expected to participate in the AWMA project,

thus reducing the Improvement District's share of the costs of the ocean outfall.

Improvement District No. 4A covers an area of approximately 8,000 acres of land extending westward from Interstate 5, the main north-south route through the State. The western portion of the District is bounded on the north by Rossmoor Leisure World, the highly successful retirement community.

At present the area within the Improvement District is used primarily for cattle grazing. The proposed land use consists of a combination of low to heavy density residential areas, business parks, commercial areas and recreational and open space areas.

THE BONDS

Authority for Issuance

The \$1,850,000 principal amount of Moulton-Niguel Water District 1975 Waste Water Bonds for Improvement District No. 4A, are general obligations of the Improvement District being issued pursuant to Resolution No. 662 adopted by the District Board of Directors on March 20, 1975, and under provisions of the California Water District Law (Division 13 of the Water Code of the State of California, commencing with Section 34000).

Pursuant to Section 53541 of the Government Code of the State of California, the bonds will be issued in place of an equal principal amount of authorized but unissued bonds bearing a maximum interest rate of seven percent. The bonds are the first series of a total principal amount of \$2,982,000 authorized by the Board of Directors of the District on October 19, 1972, pursuant to Chapter 3.5 of Part 6 of the California Water District Law.

State Treasurer Approval

The law requires that the sale of any issue of bonds by the District must first be approved by the State Treasurer based on the recommendation of the District Securities Advisory Commission. An application for permission to sell the bonds has been made and a response is expected prior to the sale.

Sale of Bonds

Sealed bids for the purchase of the bonds will be received and opened by the Secretary of the Board of Directors of the District on Wednesday, April 30, 1975 at 10:00 a.m. (P.D.S.T.) in the Sixth Floor Conference Room of the Bank of America, NT&SA, 555 South Flower Street, Los Angeles, California 90017. It is expected that the bids will be referred to the Board of Directors for action at a meeting to be held later that day at the District office. Details of the terms of sale are contained in the official notice inviting bids adopted April 1, 1975.

Description of Bonds

The bonds will be in the denomination of \$5,000, all dated April 15, 1975, and numbered 1 to 370. Bonds are to mature in consecutive numerical order on April 15 in each of the years and in the amounts shown by the accompanying schedule of maturities.

Interest will be payable by coupon semiannually on April 15 and October 15, beginning October 15, 1975.

SCHEDULE OF MATURITIES

Maturity Date April 15	Principal Maturing	Maturity Date April 15	Principal Maturing
1981	\$ 25,000	1996	\$ 80,000
1982-83	30,000	1997	85,000
1984-85	35,000	1998	95,000
1986-87	40,000	1999	100,000
1988	45,000	2000	110,000
1989-90	50,000	2001	115,000
1991	55,000	2002	125,000
1992	60,000	2003	135,000
1993	65,000	2004	145,000
1994	70,000	2005	155,000
1995	75,000		

Principal and interest are payable at the office of the Treasurer of the District or at the offices of the paying agents of the District in Los Angeles, San Francisco, Chicago and New York.

Redemption Provisions

The resolution of issuance provides that bonds maturing on or before April 15, 1990, a principal amount of \$380,000, are not subject to call or redemption prior to their fixed maturity date. The bonds maturing on and after April 15, 1991, a principal amount of \$1,470,000, are subject to call and redemption as a whole or in part in inverse order of maturity and by lot within a maturity at the option of the District on any interest payment date on and after April 15, 1990, upon payment of the principal amount and interest to the date of redemption plus a premium equal to one quarter of one percent of the principal amount for each year or portion of a year remaining between the redemption date and the maturity date.

Registration

The bonds will be issued as coupon bonds which will be registrable as to principal only or as to both principal and interest and to discharge from registration, all at the option of the holder, under terms of the resolution of issuance.

Legal Opinion

The unqualified opinion of O'Melveny & Myers, Los Angeles, California, bond counsel for the

Moulton-Niguel Water District, attesting to the validity of the bonds will be supplied free of charge to the original purchasers of the bonds. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each bond without charge to the successful bidder.

Tax Exempt Status

In the opinion of bond counsel, the interest on the bonds is exempt from present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions.

Legality for Investment

It is expected that the bonds will be certified by the State Controller of the State of California, pursuant to investigation by the State Treasurer, as legal investments in California for all trust funds and for the funds of all insurance companies, commercial banks, trust companies, the State, school funds and any funds which may be invested in county, municipal or school district bonds, and as eligible security for the deposit of public moneys in banks in the State.

In the opinion of Bond Counsel, the bonds do not qualify for the investment of funds of savings banks under provisions of the Financial Code of the State of California.

Security

Bond principal and interest are payable from annual ad valorem assessments which may be levied without limitation as to rate or amount on all assessable lands within the Improvement District, provided that the District may use funds derived from sewerage service charges, acreage assessment charges and connection charges to meet bond service, if available for that purpose.

Purpose and Disposition of Bond Proceeds

The proceeds from the sale of the bonds will be used to finance the Improvement District's share of the costs of a regional water quality control project as described in the section entitled "The Project."

State Approval of Expenditures

As previously stated, the State Treasurer, after making an investigation of the project and its financing, must approve the issuance and sale of the bonds. In addition, the District is required under the law to obtain the approval for the expenditure of bond proceeds for the purposes designated. Annually thereafter the District must submit a detailed report

to the District Securities Division disclosing its financial transactions and other activities.

Estimated Annual Bond Service

Table 1 presents an estimate of the total annual bond service for the Bonds, based on an estimated interest rate of 7 $\frac{3}{4}$ per cent.

Table 1**MOULTON-NIGUEL WATER DISTRICT****IMPROVEMENT DISTRICT NO. 4A****Estimated Annual Bond Service**

Fiscal Year	Principal Outstanding	Interest Estimated @ 7 1/4 %	Principal Maturing April 15	Total Bond Service
1975/76	\$1,850,000	\$ 143,375.00	\$ —	\$ 143,375.00
1976/77	1,850,000	143,375.00	—	143,375.00
1977/78	1,850,000	143,375.00	—	143,375.00
1978/79	1,850,000	143,375.00	—	143,375.00
1979/80	1,850,000	143,375.00	—	143,375.00
1980/81	1,850,000	143,375.00	25,000	168,375.00
1981/82	1,825,000	141,437.50	30,000	171,437.50
1982/83	1,795,000	139,112.50	30,000	169,112.50
1983/84	1,765,000	136,787.50	35,000	171,787.50
1984/85	1,730,000	134,075.00	35,000	169,075.00
1985/86	1,695,000	131,362.50	40,000	171,362.50
1986/87	1,655,000	128,262.50	40,000	168,262.50
1987/88	1,615,000	125,162.50	45,000	170,162.50
1988/89	1,570,000	121,675.00	50,000	171,675.00
1989/90	1,520,000	117,800.00	50,000	167,800.00
1990/91	1,470,000	113,925.00	55,000①	168,925.00
1991/92	1,415,000	109,662.50	60,000①	169,662.50
1992/93	1,355,000	105,012.50	65,000①	170,012.50
1993/94	1,290,000	99,975.00	70,000①	169,975.00
1994/95	1,220,000	94,550.00	75,000①	169,550.00
1995/96	1,145,000	88,737.50	80,000①	168,737.50
1996/97	1,065,000	82,537.50	85,000①	167,537.50
1997/98	980,000	75,950.00	95,000①	170,950.00
1998/99	885,000	68,587.50	100,000①	168,587.50
1999/00	785,000	60,837.50	110,000①	170,837.50
2000/01	675,000	52,312.50	115,000①	167,312.50
2001/02	560,000	43,400.00	125,000①	168,400.00
2002/03	435,000	33,712.50	135,000①	168,712.50
2003/04	300,000	23,250.00	145,000①	168,250.00
2004/05	155,000	12,012.50	155,000①	167,012.50
		<u>\$3,100,387.50</u>	<u>\$1,850,000</u>	<u>\$4,950,387.50</u>

① Callable on and after April 15, 1990.

THE PROJECT

The proceeds from the sale of the bonds will be used to finance the Improvement District's share of a regional wastewater disposal system to be constructed by the Aliso Water Management Agency (AWMA).

Since the Improvement District has not yet undergone any development, no sewerage facilities have been installed. However bonds have been authorized to finance a system of trunk sewers at such time as development takes place.

AWMA

The Aliso Water Management Agency was formed on March 1, 1972, under a joint exercise of powers agreement between the Moulton-Niguel Water District, the El Toro Water District, the Irvine Ranch Water District, the City of Laguna Beach, the Los Alisos Water District and the South Laguna Sanitary District. Subsequently, the agreement was amended to include the Emerald Bay Service District and the Santa Ana Mountains County Water District. The Agency was formed for the purpose of planning, constructing, operating and maintaining a regional system for the utilization and disposal of wastewater. The Agency is responsible for an area of 54,665 acres, including the 8,000 acres within Improvement District No. 4A.

The AWMA Project

The proposed AWMA project consists of an ocean outfall; four interceptor sewers to convey wastewaters from the agencies within AWMA to the outfall, including one raw sewage interceptor or effluent line to serve portions of the Moulton-Niguel Water District, the El Toro Water District and the Los Alisos Water District; construction of a regional wastewater treatment plant to serve the latter three agencies and modification of the South Laguna Sanitary District treatment plant. The Moulton-Niguel Water District will advance funds to pay for the share of the treatment plant capacity which will be utilized by lands within Improvement District No. 4A.

However, the City of Laguna Beach has indicated that it will participate in the project only if State and Federal grants described below are approved. If the City of Laguna Beach participates, the Emerald Bay Service District and the Irvine Ranch Water District are also expected to take part, since

the AWMA plan calls for them to participate in a joint interceptor line with Laguna Beach.

Grant Funds

AWMA has made application for State and Federal grant funds equivalent to 87.5 percent of the estimated costs of eligible portions of the project. An estimated \$444,000 of these funds would be applicable to the Improvement District No. 4A share of the project costs. However the District has included in its bond issue sufficient funds to cover its entire share of the project costs, less only the \$190,000 of grant funds which either have already been received in connection with prior projects and made available to Improvement District No. 4A or have been approved to cover engineering costs in connection with the AWMA project.

Estimated Project Costs

Table 2 shows an estimate of the Improvement District's share of the estimated AWMA project costs. Included is the estimated cost of an ocean outfall adequate to serve the Moulton-Niguel Water District, the Los Alisos Water District, the El Toro Water District and the South Laguna Sanitary District.

However, the construction bid documents will include as an alternative an ocean outfall adequate to serve the Emerald Bay Service District, the Irvine Ranch Water District and the City of Laguna Beach, should these agencies elect to participate.

Table 2

MOULTON-NIGUEL WATER DISTRICT IMPROVEMENT DISTRICT NO. 4A

Estimated Project Costs

Ocean Outfall	\$1,026,000
Aliso Creek Interceptor	539,000
Total Construction Costs	\$1,565,000
Interest During Construction	268,000
Reserve Fund	162,000
Legal and Financing	14,000
Administration and Contingencies	31,000
Total Funds Required	\$2,040,000
Less: Other Funds Available	
Prior Bond Issue Proceeds	—
Grants Approved or Received	190,000
Net Funds Required	\$1,850,000

FINANCIAL DATA

Assessed Valuation

The assessed valuation of the Moulton-Niguel Water District is established by the Orange County Assessor, except for utility property which is assessed by the State Board of Equalization. The State Board of Equalization reported that Orange County assessed valuations for the 1974/75 fiscal year averaged 25 percent of full cash value, the same percentage at which utility property is reported to be assessed.

District taxes are levied against the assessed valuation of land only before exemptions. Following are the assessed valuations of the Moulton-Niguel Water District and Improvement District No. 4A for the 1974/75 fiscal year.

MOULTON-NIGUEL WATER DISTRICT and IMPROVEMENT DISTRICT NO. 4A

1974/75 Assessed Valuation (Land Only)

	Improvement District No. 4A	Water District
Local Secured Roll	\$4,410,050	\$60,689,340
Utility Roll	730	171,820
Total	\$4,410,780	\$60,861,160

The following summary shows the growth in assessed valuation (land only) which has occurred in the Moulton-Niguel Water District over the past five years.

MOULTON-NIGUEL WATER DISTRICT

Growth in Assessed Valuation (Land Only)

Fiscal Year	Improvement District No. 1A	Water District
1970/71	\$10,500,990	\$35,154,730
1971/72	11,003,140	37,213,000
1972/73	15,441,130	49,403,160
1973/74	16,706,130	53,339,570
1974/75	18,588,840	60,861,160

The following tabulations show the 1974/75 assessed valuation of all property (land, improvements and personal property) located within the Water

District and Improvement District No. 4A. These valuations reflect two types of exemptions (\$1,750 of the assessed valuation of an owner occupied dwelling and 50 percent of the assessed valuation of business inventories) which do not result in any loss of revenues to local taxing agencies since an amount equal to the taxes which would have been payable on such exempt valuations is reimbursed by the State.

MOULTON-NIGUEL WATER DISTRICT

1974/75 Assessed Valuations of All Property

	Net Assessed Valuation	Home- owners and Business Inventory Exemptions	Assessed Valuation For Revenue Purposes
Secured . . .	\$134,205,895	\$19,582,535	\$153,788,430
Utility . . .	5,197,800	—	5,197,800
Unsecured . . .	3,767,690	461,760	4,229,450
Total . . .	\$143,171,385	\$20,044,295	\$163,215,680

MOULTON-NIGUEL WATER DISTRICT

IMPROVEMENT DISTRICT NO. 4A

1974/75 Assessed Valuations of All Property

	Net Assessed Valuation	Home- owners and Business Inventory Exemptions	Assessed Valuation For Revenue Purposes
Secured . . .	\$ 4,414,140	—	\$ 4,414,140
Utility . . .	245,590	—	245,590
Unsecured . . .	3,500	—	3,500
Total . . .	\$ 4,663,230	—	\$ 4,663,230

Tax Rates

No taxes have been levied for Improvement District No. 4A. As shown by the following tabulation, the Moulton-Niguel Water District tax rate has declined each year for the past eight fiscal years. The following tabulation shows the tax rates levied by the District over the past five years.

MOULTON-NIGUEL WATER DISTRICT

Tax Rates Per \$100 Assessed Valuation

Fiscal Year	Tax Rate
1970/71 . . .	\$ 1.6015
1971/72 . . .	1.5000
1972/73 . . .	1.1460
1973/74 . . .	0.9900
1974/75 . . .	0.8900

The largest tax rate area within Improvement District No. 4A is Tax Rate Area 82-155, which comprises 34.57 percent of the assessed valuation of all property and 35.85 percent of the assessed valuation of land within the Improvement District. The following table shows the 1974/75 tax rate for Tax Rate Area 82-155.

Tax Rate Area 82-155

1974/75 Tax Rates Per \$100

Assessed Valuation

Orange County . . .	\$ 1.6050
County Library2044
Capistrano Valley Unified School District . . .	4.3262
Saddleback Community College7005
Other Education Taxes1780
Metropolitan Water District of Southern California1500
County Fire Protection3991
County Flood Control District2222
Other Special Districts3385
Total — All Rolls . . .	\$ 8.1239
Moulton-Niguel Water District8900 ^①

① Tax on land only

District Revenues and Expenditures

Table 3 shows a summary of the revenues and expenditures of the Moulton-Niguel Water District over the past five fiscal years. There have been no revenues or expenditures attributable to the Improvement District during these years.

Direct and Overlapping Bonded Debt

At present Improvement District No. 4A has no direct debt. Table 4 shows the direct and overlapping debt of the Improvement District as of the date of sale of the bonds.

Tax Levies and Delinquencies

Since no taxes have been levied for Improvement District No. 4A, there is no history of tax levies and delinquencies for the Improvement District per se. However, as of June 30, 1974, none of the taxes levied against properties within Improvement District No. 4A by overlapping agencies (the County, the school district and other special districts) were delinquent.

Following is a summary of the total secured taxes levied by the Moulton-Niguel Water District over

the past five fiscal years, together with the amounts and percentages delinquent as of June 30 of each year.

MOULTON-NIGUEL WATER DISTRICT

Tax Levies and Delinquencies

Fiscal Year	Tax Levy	Delinquency as of June 30	
		Amount	Percent
Moulton-Niguel Water District			
1969/70	\$500,091.42	\$ 4,580.98	0.92%
1970/71	560,742.16	1,735.62	0.31
1971/72	557,302.77	8,818.10	1.58
1972/73	561,464.33	11,187.64	1.99
1973/74	524,843.57	8,914.72	1.70

Table 3

MOULTON-NIGUEL WATER DISTRICT

Revenues and Expenditures

	1969/70	1970/71	1971/72	1972/73	1973/74
REVENUES					
Water Sales	\$ 526,259	\$ 656,808	\$ 752,802	\$ 860,999	\$1,102,922
Sanitation Charges	125,564	157,356	203,706	247,507	293,563
Water Sales and Connection Charges	—	—	—	105,331	250,860
Other Operating Income	—	—	5,820	—	9,238
Interest Earned	548,308	368,945	325,604	258,718	504,050
Property Taxes and Assessments	1,022,036	1,232,143	1,247,715	1,328,467	1,357,763
Contributions in Aid of Construction	987,465	913,119	1,239,552	944,026	3,270,741①
Other Non-Operating Income	—	25,617	13,742	26,059	53,005
Total Revenue	\$3,209,632	\$3,353,988	\$3,788,941	\$3,771,107	\$6,842,142
EXPENDITURES					
Operating Expense②	\$ 935,761	\$1,243,901	\$1,536,469	\$1,955,657	\$2,438,678
Interest Expense	599,810	586,731	802,082	1,176,380	1,162,720
Other Non-Operating Expense	—	—	12,499	129,185	53,790
Total Expenditures	\$1,535,571	\$1,830,632	\$2,351,050	\$3,261,222	\$3,655,188
NET INCOME	\$1,674,061	\$1,523,356	\$1,437,891	\$ 509,885	\$3,186,954
Depreciation	264,662	327,364	401,798	587,765	675,081
WORKING CAPITAL	\$1,938,723	\$1,850,720	\$1,839,689	\$1,097,650	\$3,862,035

① Includes federal and state grant funds of \$2,842,013

② Includes depreciation

Table 4**MOULTON-NIGUEL WATER DISTRICT****IMPROVEMENT DISTRICT NO. 4A****Direct and Overlapping Bonded Debt**

1974/75 Assessed Valuation		
Land Only	\$ 4,410,780	
All Rolls	4,663,230	
Estimated Market Value		
Land Only Per Assessor	\$ 17,643,000 ^①	
Land Only Per Appraisal	77,600,000 ^②	
All Property Per Assessor	18,653,000 ^①	

Agency	Debt Applicable April 30, 1975 ^③	
	Percentage	Amount
Orange County	0.074%	\$ 3,230
Orange County Flood Control District	0.074	17,016
Metropolitan Water District	0.013	71,787
Saddleback Junior College District	0.414	29,725
Capistrano Unified School District	0.949	289,806
Saddleback Valley Unified School District	0.557	47,234
Laguna Beach Unified School District	0.159	5,168
Tustin Unified High School District (Various Issues)	0.152-0.214	16,332
San Joaquin School District (Various Issues)	0.203-0.348	41,946
Moulton-Niguel Water District	7.247	403,658
Moulton-Niguel Water District, Improvement District No. 4A	100.	1,850,000
City of Laguna Beach	0.006	171
TOTAL DIRECT AND OVERLAPPING BONDED DEBT		\$2,776,073

	Percentage of	
	Assessed Valuation	Market Value
Direct Debt	41.94% ^④	2.38% ^⑤
Direct and Overlapping Debt	59.53 ^⑥	14.88 ^⑥

^① The State Board of Equalization reported that Orange County assessed valuation for the 1974/75 fiscal year averaged 25 percent of full cash value. Utility property is reported to be assessed at the same rate.

^② See Appendix 1.

^③ Excludes sales, if any, between April 1, 1975 and April 30, 1975, except for the bonds described in this official statement. Also excludes \$21,224 share of obligations secured by leases to County.

^④ Based on assessed valuation of land only.

^⑤ Based on appraised value.

^⑥ Based on assessed valuation of all property.

THE DISTRICT

The Moulton-Niguel Water District covers an area of 24,500 acres located in southwestern Orange County, approximately 16 miles southwest of Santa Ana, the county seat and 50 miles southwest of Los Angeles.

Organization and Operation

The Moulton-Niguel Water District ("the District") was organized in November 1960 pursuant to the California Water District Law (Division 13 of the Water Code of the State of California, commencing with Section 3400). It is governed by a board of directors consisting of seven members, each being elected at large by qualified voters in the district. The board elects a president from its members and appoints a secretary. The treasurer is elected by the voters. A general election for officers must be held every two years. The water district presently maintains a full-time staff of 32 employees, under the overall supervision of a general manager who is appointed by and responsible to the governing board. Mr. Carl J. Kymla, a native of Orange County and graduate of the University of Southern California, serves as General Manager of the Moulton-Niguel Water District. Mr. Kymla is also the Chairman of AWMA and since 1973 has served as a member of the Board of Directors of the Metropolitan Water District of Southern California. Prior to joining the district, he was associated with the Orange County government in an executive capacity and has had experience at various levels of local government.

A biographical sketch of each of the officers of the District is as follows:

Mr. Ivar O. Hanson, President of the Board of Directors of the District, served as president and a director of the Laguna-Niguel Corporation from 1960 until his retirement in 1967. Prior to 1960, Mr. Hanson was the general manager of Palos Verdes Properties. That organization was responsible for the development of a majority of the 16,000-acre Palos Verdes peninsula, which includes such well-known Los Angeles area communities as Rolling Hills, Palos Verdes Estates, Portuguese Bend, and the supporting facilities such as shopping centers, a research center, and golf course.

Mr. H. L. "Les" Remmers, a Vice-President and Director of the District, was engaged in agricultural activities in the Riverside and Orange County areas for 41 years until his retirement in 1962. Mr. Remmers is a resident-homeowner within Improvement

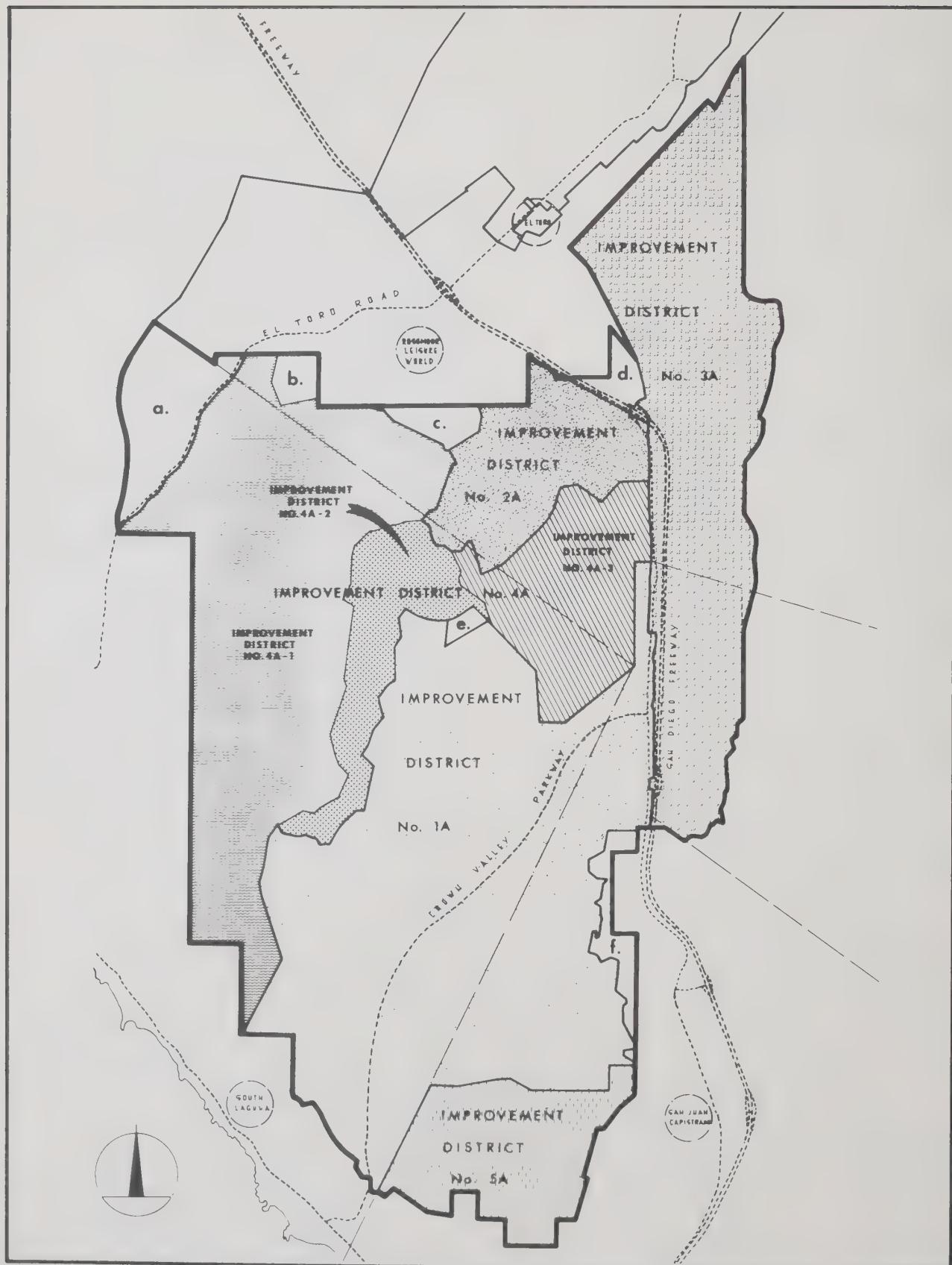


Figure 2. Improvement District Boundaries

Districts 1 and 1A. He has also served as a director of the Trabuco Water Company in San Juan and as a Director and President of the Coastal Municipal Water District.

Mr. Larry R. Lizotte, a Vice-President and Director of the District, and a resident-homeowner within Improvement Districts 1 and 1A, is a Vice-President of Broadmoor Homes, a major developer of residential properties in Orange County. Mr. Lizotte was formerly employed by the Laguna-Niguel Corporation (since acquired by Avco Community Developers, Inc.) and participated in the initial development of the District.

Mr. Robert L. Aldrich, a Director of the District, is a resident-homeowner within Improvement Districts 3 and 3A of the District. Mr. Aldrich is employed by Avco Insurance Company as an Assistant Vice President/Underwriting for specialty lines.

Mr. Robert E. Dwyer, a retired advertising executive, was appointed to the Board of Directors of the District in March 1975. He is a resident-homeowner within Improvement Districts 1 and 1A. Mr. Dwyer

has served as Vice President and Director of the Three Arch Bay Community Services District and as a Director of the South Coast County Water District. Other community activities have included service as Vice-President, Director and Executive Officer of the Three Arch Bay Association and as Vice-President of the United South Orange Community Association.

Mr. Harold M. Mathisen, a Director of the District is a resident-homeowner within Improvement Districts 2 and 2A. Mr. Mathisen, who is retired, brings to the District a broad background in water utility management and engineering.

Mr. Torrey H. Webb, a Director of the District, has spent most of his active business life in the petroleum industry. From August 1, 1938, to November 1, 1941, he served as Vice-President and general manager of the Texas Company of California, and, from November 1, 1941, until the time of his retirement on December 31, 1956, he served as Vice-President of the Texas Company of Delaware (now Texaco, Inc.). His activities for these companies covered the eight western states, with his headquarters being in Los Angeles, California.

The Moulton-Niguel Water District office



Improvement District No. 4A

Improvement District No. 4A includes an area of approximately 8,000 acres. The Improvement District is bounded on the west by El Toro Road and on the east by the Atchison, Topeka and Santa Fe Railway which parallels the Interstate 5 Freeway. It is bounded on the north by Rossmoor Leisure World, the highly successful retirement community.

The topography consists of gently rolling hills with some rocky, steep terrain. The Aliso Creek meanders through the Improvement District in a general southerly direction toward the ocean.

Improvement District No. 4A was formed on October 19, 1972 for the purpose of providing sewerage service within its boundaries. At the same

time the Moulton-Niguel Water District formed Improvement District No. 4 to provide water facilities within the same area and further subdivided these Improvement Districts into Improvement Districts Nos. 4-1, 4A-1, 4-2, 4A-2, 4-3 and 4A-3 for the purpose of financing local reservoirs and water distribution lines plus wastewater treatment facilities and collector lines.

At present, the land within the Improvement District is used for agricultural purposes, primarily cattle grazing. The proposed land use as set forth in the proposed revision to the 1983 Moulton Ranch area as prepared by Chapman, Phillips, Brandt, Reddick and Associates, and generally as adopted by Orange County, is summarized for the property in the Improvement District in the following table.

MOULTON-NIGUEL WATER DISTRICT IMPROVEMENT DISTRICT NO. 4A

Proposed Land Use

Property Owner	Moulton	Hanson	Presley	Chapman	Total
Gross Area (Acres)	5,564	1,112	1,327	250	8,253
Potential Dwelling Units					
Low	509	—	—	—	509
Medium Low	2,657	—	1,505	—	4,162
Medium	3,282	—	—	325	3,607
Medium High	1,468	3,160	—	—	4,628
Heavy	—	1,080	—	—	1,080
Employment Zone①	—	200	—	—	200
Total Units	7,916	4,440	1,505	325	14,186
Potential Population	26,039	12,739	5,870	894	45,542
Land Use					
Residential	1,663	480	430	50	2,623
Business Park	116	150	—	2	268
Retail Commercial	20	13	—	4	37
Recreation/Commercial	18	14	15	—	47
Public Roads/Utilities	272	25	89	31	417
Schools	141	26	18	2	187
Recreation	470	77	14	4	565
Conservation	1,424	45	—	—	1,469
Open Space	1,440	282	761	157	2,640
Total	5,564	1,112	1,327	250	8,253

① Allowable use of residential without any land base allocation.



A portion of the Laguna Hills Mall located in the adjacent El Toro Water District

Climate

The climate of the District is typical of the coastal plain of Southern California, being mild and relatively uniform. Median temperatures recorded at the nearby El Toro Marine Corps Air Station range from a high of 71.7 degrees in July to a low of 54.2 degrees in December. Rainfall is generally confined to the period between November and March. The proximity of the District to the ocean and the prevailing wind patterns combine to produce relatively smog-free conditions.

Employment

Residents of the District find employment throughout Orange County. Total employment in the County, as reported by the California Employment Development Department, is shown in the accompanying tabulation.

Commerce

Extensive commercial facilities are located in the Laguna Hills Center, a part of the Rossmoor development just to the north of the Improvement District.

ORANGE COUNTY

Employment

	December 1973	December 1974
Aerospace and Electronics	62,800	63,000
Non-electrical Machinery	16,900	18,900
Other Durable Goods	34,700	33,400
Nondurable Goods	33,500	33,200
Total Manufacturing	147,900	148,500
Wholesale and Retail Trade	128,800	142,600
Services	96,800	104,500
Government	83,000	86,200
Construction	30,400	28,000
Finance Insurance and Real Estate	28,000	29,900
Transportation, Communications and Utilities	17,500	18,500
Agriculture	6,300	6,100
Mining	1,900	1,900
	540,600	566,200

The center includes the Laguna Hills Mall, a regional shopping center. The mall presently contains two department stores: Buffums, part of a ten-store chain based in Long Beach, and Sears; plus 56 shops. It is now being expanded to include two more department stores: the Broadway and J.C. Penney; plus 35 additional specialty shops. The portion of the center adjacent to the mall includes restaurants, financial institutions and neighborhood shopping facilities.

Government Facilities

The South Orange County Civic Center is located within the adjacent Improvement Districts 1 and 1A. Facilities at the Civic Center include Municipal

Courts, a Sheriff's sub-station and a fire station. A branch of the County Library is proposed to be located at Civic Center.

The General Services Administration of the Federal Government recently acquired a seven-story, \$24,000,000 plant built but never occupied by the North American Rockwell Corporation in the adjacent Improvement Districts 1 and 1A. The 1,000,000 square feet of floor space is to be used for bulk storage of government records. The facility will eventually provide employment for an estimated 2,000 people.

The El Toro Marine Corps Air Station is located two miles north of the Improvement District.

The South Orange County Civic Center





A portion of the Laguna-Niguel Regional Park

Industry

The Laguna Niguel Industrial Park is located in the District. Occupants at the park are engaged primarily in commercial and light industrial enterprises.

The table on the following page lists the major manufacturing industries in Orange County, as reported by the Orange County Chamber of Commerce.

The Irvine Industrial Complex, covering more than 6,000 acres located north of the District, is one of the largest planned industrial developments in the national. Already more than 500 companies have located manufacturing and other facilities employing approximately 35,000 people within the complex and continued growth is expected. The Fluor Corporation is presently constructing a facility within the complex which will employ an estimated 5,000 people.

The Irvine Company has announced plans for the Irvine Industrial Complex-East to be located about four miles north of the District. It will cover approximately 2,600 acres, including more than 1,900 acres to be devoted to industry and 600 acres for commercial facilities. The commercial facilities will be designed, in part, to serve people employed within the complex. The Irvine Company expects to commence industrial sales and leasing activities within the new complex in about one year.

Transportation

The Improvement District is bordered on the east by the Atchison, Topeka and Santa Fe Railway which parallels Interstate 5, the main north-south route through the State of California.

Bus service within the adjacent developed areas is provided by the Orange County Rapid Transit District. Greyhound provides overland service to Los Angeles and San Diego from the adjacent communities of El Toro and San Clemente.

The Orange County Airport located 20 miles northwest of the District, is served by Air California, Golden West Airlines and Hughes Airwest. Extensive general aviation facilities are also available.

Recreation and Tourism

Recreational facilities within Improvement District No. 1A include an 18-hole golf course, a private country club and tennis club, three private recreation centers and the 160-acre Niguel Regional Park. It includes a 45-acre lake stocked with fish, four tennis courts, a riding trail and picnic and barbecue facilities.

Two other regional parks are nearby. O'Neill Park has 650 overnight camping facilities, a baseball diamond, picnic facilities and a riding stable. Ronald W. Caspers Memorial Park is the largest in the area,

ORANGE COUNTY

Major Manufacturing Industries (200 or More Employees)

Company	Employees	Company	Employees	Company	Employees
Aerospace and Aircraft		Hyland Div. Travenol Labs Inc.		Hi-Tek Corp.	
Aerojet-General Corp., Fullerton	1,800	Costa Mesa	1,500	Santa Ana	200
Air Industries Corporation, Garden Grove	375	Inmont Corp. Anaheim	400	Hughes Aircraft Ground Systems	
Arrowhead Products, Los Alamitos	350	Maxad Inc. Fullerton	210	Fullerton	5,469
Bertea Corporation, Irvine	1,000	Nutrilite Products Inc. Buena Park	430	International Circuit Technology	
Carter J. C. Company, Costa Mesa	233	Plas-Ties Santa Ana	1,300	Costa Mesa	350
Energy Products Division Santa Ana	700	Rexall Chemical Santa Ana	200	Interstate Electronics Corporation	
Ex-Cell-O Corporation Costa Mesa	250	Royal Industries Inc. Santa Ana	250	Anaheim	1,000
Federal-Mogul Corp., Los Alamitos	500	Travenol Laboratories Inc. Costa Mesa	225	ITT	
Fruehauf Corporation, Fullerton	650	U.S. Polymeric Chemicals Inc. Santa Ana	300	Costa Mesa	200
McDonnell Douglas Corporation, Huntington Beach	14,000	Electrical and Electronic Machinery, Equipment, and Supplies		ITT Cannon Electric Santa Ana	2,000
Northrup Electro-Mechanical Div., Anaheim	1,493	Altec Sound Products Division Anaheim	937	Joy Manufacturing Corp. Anaheim	360
Nortronics, Anaheim	500	American Electronics Inc. Fullerton	230	Litton Industrial Systems Inc. Anaheim	250
Parker-Hannifin Corp., Irvine	900	AMF-Potter & Brumfield San Juan Capistrano	500	L T V Ling Altec Inc. Anaheim	1,000
Raytheon Company, Santa Ana	275	Audio Magnetics Corp. Irvine	225	Master Specialties Co. Costa Mesa	400
Royal Industries Inc., Santa Ana	650	Babcock Electronics Corp. Costa Mesa	650	Metropolitan West Inc. Costa Mesa	200
Rucker Company, Santa Ana	280	Battery Systems Inc. Santa Ana	300	North American Rockwell Corp. Anaheim	
Susquehanna Corp., Santa Ana	400	Borg-Warner Corp. Controls Division Santa Ana	300	Parelco Operations — Potter & Brumfield San Juan Capistrano	300
Textron Inc., Santa Ana	475	Century Data Systems Inc. Anaheim	1,500	Philco-Ford (Aeronutronics) Newport Beach	400
Tool Research & Engineering Santa Ana	500	Certron Corp. Anaheim	560	Rockwell Int'l. (Autonetics) Anaheim	2,200
Transport Dynamics Inc., Santa Ana	500	Collins Radio Company Newport Beach	1,000	Sun Battery Co. Inc. Santa Ana	11,000
Apparel and Other Finished Products		Controls Research Corp. Santa Ana	350	Trivex Inc. Orange	400
Catalina Inc., Fullerton	200	Covalence International Corp. Santa Ana	315	United States Filter Corp. Newport Beach	300
Eddy Moss Inc., Westminster	200	Dana Laboratories Inc. Irvine	200	Vostron Industries, Inc. Santa Ana	1,000
Boat Building and Repairing		Diceon Electronics Inc. Irvine	220	Wanlass Electric Co. Santa Ana	250
Ericson Yachts Inc. Santa Ana	260	Econolite Div. Altec Corp. Anaheim	480	Western Digital Corp. Newport Beach	300
MacGregor Yacht Corporation, Costa Mesa	250	Electronic Instrumentation Anaheim	400		775
Chemicals and Allied Products		Electronic Products Santa Ana	1,000	Fabricated Metal Products	
Allergan Pharmaceuticals Irvine	476	Emerson Electric Co. Stanton	900	Ador/Hilite, Fullerton	500
Amercoat Corporation Brea	650	General Motors, Delco Remy Division Anaheim	400	Air Industries Corporation, Garden Grove	300
Ameron, Corrosion Cntl. Div. Brea	700	Globe-Union Inc. Fullerton	270	Astech Division, Santa Ana	800
Cities Service Company Tustin	250			Cherry Commercial Prod., Santa Ana	500
Comdata Corporation Santa Ana	200			Cla-Val Co., Costa Mesa	250
				Container Corp. of America, Santa Ana	300
				Emhart Corp., Kwikset Div., Anaheim	1,254
				Kaynar Mfg. Co. Inc., Fullerton	350
				Miller Barry L. Engineering Inc., Irvine	200

Company	Employees	Company	Employees	Company	Employees
Mueller Co., Brea	325	Coleman Engineering Co. Inc., Santa Ana	300	Rubber and Plastics Products	
Standard Pressed Steel Co., Santa Ana	650	Converters Div. of Amer. Hosp. Supply, Santa Ana	230	AMF Voit Inc. Santa Ana	1,000
Thermo Products Co. Inc., Orange	200	Edwards Laboratories Inc., Santa Ana	300	Califoam Corporation of America	
Townsend Co. Cherry Rivet/ Boots Nut, Santa Ana	725	G A F Corp., La Habra	200	Santa Ana	230
Wells Marine — Z. D. Products Div., Costa Mesa	200	Martin-Decker Company, Santa Ana	237	California Injection Molding Co. Inc.	
Food Products		Pertec Business System, Santa Ana	275	Costa Mesa	280
Adohr Farms Div. The Southland Corp., Santa Ana	420	Robertshaw Controls Company, Anaheim	200	Hitco	
Bridgford Foods Corp., Anaheim	250	Task Corp., Anaheim	275	Irvine	4,300
Hills Bros. Coffee Inc., Anaheim	1,000	Technicolor Inc., Costa Mesa	285	Kirkhill Rubber Co. Brea	750
Kraftco Corporation, Buena Park	452	Vostron Industries, Santa Ana	300	Monsanto Company Anaheim	250
Laura Scudder's, Anaheim	1,200	Vought Optics Coatings & Instrument, Newport Beach	400	Reeves Rubber Inc. San Clemente	450
National Biscuit Company, Buena Park	250			Strato Flex Inc. Santa Ana	250
Pet Inc., Anaheim	550	Miscellaneous Manufacturing		Swedlow Inc. Garden Grove	650
		AMF Voit Inc., Santa Ana	1,000	West American Rubber Co. Orange	400
		CBS Musical Instrument Div., Fullerton	700		
		Conolon Corp., Santa Ana	525	Stone, Clay, Glass and Concrete Products	
		Cox L M Mfg. Co. Inc., Santa Ana	525	Amcord Inc. Newport Beach	2,900
		Monarch Marking Systems, Garden Grove	250	Associated Concrete Products Inc.	
		F. E. Olds & Son, Fullerton	290	Santa Ana	400
		U S Divers Company, Santa Ana	275	Cambro Mfg. Corp. Huntington Beach	200
Furniture and Fixtures				Corning Glass Works Orange	5,000
John B. P. Furn. Mfg., Santa Ana	325			Glass Containers Corporation	
Liken Inc., Westminster	850			Fullerton	6,000
SPS Western, Santa Ana	600			Hydro Conduit Corporation Newport Beach	404
Steelcase Inc.-Western Division, Tustin	350			Kerr Glass Mfg. Co. Ahk Div.	
				Santa Ana	410
				Lasco Industries Anaheim	400
Machinery					
Astrodata Inc., Anaheim	350	Paper and Allied Products		Textile Mill Products	
Burroughs Corporation, Mission Viejo	875	American Can Company, Anaheim	312	Idamatic Inc. Santa Ana	280
California Computer Products Inc., Anaheim	920	Convertors Inc., Santa Ana	300	Ozite Corp. Anaheim	250
Chicksan Div. FMC Corp., Brea	305	Menasha Corp. Container Div., Anaheim	360	Tubbs Cordage Co. Orange	280
Computer Automation Inc., Irvine	240	Orchids Paper Products	200		
Datum Inc., Anaheim	280	Concel Inc., La Palma			
Document Div-Add-Mult Corp., Santa Ana	200	Petroleum Refining and Related Industries			
Electronic Engineering Co. of Cal., Santa Ana	500	Exxon Co. U S A, Orange	5,541		
Emhart Corporation, Anaheim	1,034				
Garrison Hydraulics Inc., Santa Ana	240	Primary Metal Industries			
General Automation Inc., Anaheim	1,000	Aluminum Forge Div.			
Kaiser Industries Corp., Santa Ana	252	Altamil Corp., Santa Ana	200		
Knudsen Engineering, Irvine	200	Anaconda Wire & Cable Co., Orange	200		
Smith International, Newport Beach	2,900				
Transport Dynamics, Santa Ana	350	Printing, Publishing, and Allied Industries		Transportation Equipment	
Varian Data Machines, Irvine	750	Freedom Newspapers Inc., Santa Ana	1,500	Executive Industries Inc. Anaheim	500
Xerox Corp., Irvine	400	Gibson Greeting Cards Inc., Anaheim	1,000	General Motors Corp. Anaheim	400
Instruments; Photographic, Medical and Optical Goods	7,600	Moore Business Forms, Fullerton	300	Golden West Mobile Homes Santa Ana	300
American Meter Company, Fullerton	250	Orange Coast Daily Pilot, Costa Mesa	200	Viking Homes Anaheim	300
Beckman Instruments, Inc., Fullerton		Orange County Evening News, Garden Grove	207		
		Register The, Santa Ana	650		
		Van de Publishing Co., Huntington Beach	225		

covering 5,500 acres, open to camping, picnicking and hikers.

Another major recreational facility developed by the County is the small craft harbor at Dana Point, southwest of the District. It currently has 1,400 slips for permanent berthing of small craft, plus launching facilities for trailered boats. Construction of additional slips is due to begin soon. Ultimately it will provide permanent berthing facilities for 2,800 craft.

There are five neighborhood parks and a 26-acre wilderness area within the Mission Viejo development which is located in Improvement Districts 3 and 3A. The Mission Viejo Company plans to create 21 additional neighborhood parks and two community parks by 1990. There are also three recreation centers which are private facilities.

Lion Country Safari is a private recreational facility covering 500 acres north of the District. It contains a variety of African animals and birds which visitors may observe at close hand during a one to one-and-one-half hour drive through the grounds.

Nearby recreational facilities include the world-famous Disneyland in Anaheim, Knott's Berry Farm in Buena Park, and Mission San Juan Capistrano. The Pacific Ocean beaches, Palm Springs desert resorts, and nearby mountains offer a wide range of recreational activities for area residents as well as travelers from out-of-state.

Educational Facilities

Various segments of the Improvement District are located within either the Capistrano Unified School District, the Laguna Beach Unified School District or the Saddleback Valley Unified School District. There are no educational facilities within the Improvement District at present.

Saddleback Valley Community College, a two-year institution, is located in the adjacent Improvement Districts 3 and 3A. The college was opened in 1968 on a temporary site. The present, permanent campus opened in 1969 utilizing relocatable buildings. The college opened its first permanent building, a library-classroom complex in 1973 and during the next year completed a new science-mathematics building.

The University of California, Irvine, was opened in 1965 on a 1,500-acre campus a short distance north of the District. It is the principal higher education facility in Orange County, offering undergraduate and graduate programs in a variety of fields

including studies toward a Ph.D. Enrollment has grown to over 7,000 students.

Other institutions of higher education in Orange County are California State College, Fullerton; Chapman College; Western State University College of Law, Anaheim; and Pepperdine University College of Law, Santa Ana.

Community Facilities

There are three hospitals in the vicinity of the District. Mission Community Hospital is a 212-bed facility offering patient care, 24-hour emergency room, a separate 35-bed intensive care unit, and a recuperative care unit. South Coast Community Hospital, is located on the Coast Highway in South Laguna. It is served by a staff of about 180 physicians and surgeons. It has been expanded from a 75-bed facility to a present licensed capacity of 263 beds. In January, 1974, the 160-bed Saddleback Community Hospital was opened in Laguna Hills adjacent to the Laguna Hills center.

Two local daily newspapers serve the area, the *Santa Ana Register* and the *South Coast Daily Pilot*. The *Los Angeles Times* and *Herald Examiner* are also circulated in the area.

The Saddleback Community Hospital



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December 20, 1972

Districts Securities Division
Office of the Treasurer
State of California
120 Montgomery Street, 13th Floor
San Francisco, CA 94104

Attention: Mr. T. P. Stivers, Executive Secretary

RE: Appraisal of Improvement Districts 4 and 4-A of Moulton-Niguel Water District

Gentlemen:

Pursuant to the request of Moulton-Niguel Water District, I have made an inspection and investigation of approximately 8,000 acres of land within the boundaries of Improvement Districts 4 and 4-A, and in my opinion the Fair Market Value as of this date, exclusive of any buildings thereon, is not less than--

\$ 77,600,000.00 *
Seventy-Seven Million Six Hundred Thousand Dollars

In arriving at the above valuation, I have taken into consideration open market sales of lands within the Districts, as well as sales of comparable lands in the immediate vicinity of the Districts being appraised. Consideration has also been given to the proximity of highways and rail facilities to the Districts, as well as land use and the master plan of Orange County Planning Commission.

* \$ 9,700.00 per acre

The following record of open market sales during the past 36 months represents the various types of lands similar to those of the 8,000 acres being appraised:

<u>Sales Within District Or Immediate Area *</u>	<u>Date Of Sale</u>	<u>Total Sale Price</u>	<u>Average Per Acre</u>
57 Acres	11/69	\$ 1,679,000.00	\$ 29,460.00
80 Acres	12/69	1,567,500.00	19,570.00
75 Acres	1/70	2,702,120.00	36,000.00
31 Acres	1/70	362,500.00	11,590.00
840 Acres	12/70	5,000,000.00	5,950.00
263 Acres	6/71	1,578,000.00	6,000.00
192 Acres	11/71	1,891,000.00	9,860.00
790 Acres	9/72	5,550,000.00	7,020.00
510 Acres	Current	3,800,000.00	7,460.00

The valuation analysis of the subject lands has included a thorough comparison with the above sales, as well as consideration of other relevant factors, among which are variations of topography, drainage, and accessibility.

* All acreages are approximate

The subject Districts are located within the southeasterly portion of Orange County approximately 50 miles southeast of the Civic Center of Los Angeles and approximately 15 miles southeast of Santa Ana, the County Seat.

It is my opinion that the highest and best use of the lands being appraised is for single family, multi-residential, commercial, industrial, and recreational use.

There is an existing demand for the purchase of acreage in this area of Orange County and this appraised value is concluded at a price level indicated by recent sales and actual contracts to purchase of comparable properties. The trend of value is definitely upward from the value reported herein and when the construction of water and sewerage facilities necessary to serve Districts 4 and 4-A are completed, this upward trend should increase. In the past 18 months construction of single family residences, industrial and recreational facilities within an eight-mile radius of the subject Districts has been extremely active.

The undersigned further states:

That he has been engaged in the sales, leasing and appraisal of all types real property in the State of California and the Western United States for the past fourteen years and that he is experienced in the valuation of urban and agricultural lands of all classes;

That he was associated for seven years with the R. A. Redington Company, which firm specialized in the appraising of all forms of real estate, predominantly in the condemnation field;

That he opened and operated his own appraisal office for a period of six years, specializing in the appraising of real estate;

That he is now the manager of the Appraisal Division of R. A. Rowan & Co., business and industrial realtors, which firm has specialized in the appraising, selling, leasing, and managing of business and industrial properties in the County of Los Angeles for over sixty years;

That he has been the appraiser for Connecticut Mutual Life Insurance Company in the Los Angeles and Orange County Districts for the past six years and has acted as appraiser of real estate for various governmental agencies, banks, insurance companies, corporations, and individuals.

That he has investigated the property described herein for the purpose of estimating its Fair Market Value;

That he is not interested, directly or indirectly, in the consummation of a sale of the property herein described, or any part thereof.

Respectfully Submitted,



Donald R. Johnson, Manager
Appraisal Division

DR J:kjb

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